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for Environment
Food & Rural Affairs

Defra Group Management Consultancy Call off Contract: Project Engagement Letter

Completed forms and any queries should be directed to Defra Group Commercial (DgC) at [REDACTED]. Please do not complete this form until you have liaised with DgC, and they have allocated you a lot to access Consultancies within and subsequent reference number.







Engagement details			
Engagement ref #	DPEL_61541_081		
Extension?	No	DPEL Ref.	61541_081
Business Area	Natural England		
Programme / Project	Natural England Digital Transformation Team (NE DTT)		
Senior Responsible Officer	[REDACTED]		
Supplier	Methods		
Title	DDaT visioning, benefits realisation, and action plan		
Short description	Provide consultancy to facilitate and enhance Natural England's strategic thinking to develop a coherent direction for DDaT (aka 'Destination Digital'), together with a clear and compelling articulation of the benefits. Co-create an action plan to implement this direction and inform SR24.		
Engagement start / end date	Proposed start date 27/11/2023	Proposed end date 09/02/2024	
Consultancy Spend approval reference	N/A		
Expected costs 23/24	£70,230		
Expected costs 24/25	£0		
Expected costs 25/26	£0		
Dept. PO reference	Dept. PO reference # (to allow for Defra Group recharge)		
Lot #	Lot 3		
Version #	V1		

Approval of Project Engagement Letter

By signing and returning this cover note, **Natural England** accepts the contents of this Project Engagement Letter as being the services required and agrees for **Methods** to provide the services in accordance with the agreed Supplier Proposal under the overarching contract (**Lot 3** - [REDACTED]) with Defra Group and confirms the availability of funding to support recharge for the services.



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Signatures		
Supplier	Business Area	Defra Group Commercial
By:  <i>Signature</i>	By:  <i>Signature</i>	By:  <i>Signature</i>
		
21-11-2023 09:20 GMT	24-11-2023 11:51 GMT	24-11-2023 15:29 GMT
Supplier engages with Business Area to complete. Once agreed, Supplier signs front page and sends to Business Area	Business Area signs front page and sends to DgC	On approval, DgC signs and returns copy to Business Area and Supplier





General Instructions

The Engagement Letter describes the services required and provided. When completing the Engagement Letter establish the context, explain why external support is required and distinguish between the objectives, outcomes, scope and deliverables. The rationale behind the costs should be made evident in the Fees section.

The Business Area considerations are guidance notes for the customer to support their evaluation of the Engagement Letter.

This can be deleted once DPEL is approved.



1. Background

There is a lot of change happening or envisaged at Natural England (NE), much of which will need to be DDaT-enabled and/or will necessitate DDaT transformation. We want:

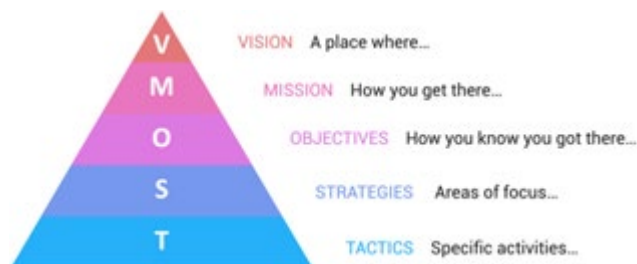
1. A coherent and holistic vision for DDaT to ensure everything we do is moving us in the right direction and aligned with NE, Defra, and central Government strategies
2. An action plan to identify tangible steps we can take to start the journey, including activities we will need to bid to fund through the next spending review (SR24)
3. A clear understanding and articulation of benefits to inform business cases, enable benefits realization planning, and ensure benefits are maximized

To this end, NE has started referring to 'Destination Digital', which is currently described as: "NE will develop a vision for NE's future as an organisation which is enabled by Digital & Data to deliver on our mission, and where colleagues are empowered and enabled by a mature and inclusive digital culture, which we're calling 'Destination Digital'. We will develop and deliver an action plan for reaching this vision, in alignment with the DEFRA Digital Strategy."



This DPEL has two main objectives. The first seeks to **facilitate and enhance the strategic thinking to develop a coherent strategic direction** with an output of key products to deliver the vision, mission, and objectives. Visioning work will establish the foundation for a clear and compelling **articulation of the benefits** of change for NE. This, in turn, will provide a means for NE to effectively engage and secure buy-in from stakeholders across and outside of the organisation.

Objective 1 will be achieved by facilitating workshops with key stakeholders to agree a vision for DDaT within NE. We will then map the vision of the programme through to the delivery activities by using the VMOST model. The model represents a 'Pyramid of Purpose' – linking the vision of the programme down to specific activities that are needed to fulfil the vision.



The second objective is **to build a delivery roadmap including prioritised activities/objectives** including indicative identification of resources required (at a high level), which can subsequently be worked up into deliverable projects.

See below for the outcomes and a proposed resource profile to achieve objectives 1 and 2.



2. Statement of services

Objectives and outcomes to be achieved

Services outcomes as follows:

WP1 – VMOST and Benefits Definition

A co-designed organisational vision, set of missions, high level strategy and tactics aligned to business objectives using the VMOST methodology.

The workshops will establish the foundation for clear articulation of the benefits aligned with the vision, missions, and objectives of the change. Set out in the form of a benefits map including clear and concise descriptions for prioritised benefits, WP1 will position NE to engage and secure buy-in from stakeholders across and outside of the organisation with a clearer picture of benefits.

WP2 – Action Plan

Creation of an agreed delivery roadmap with key potential project milestones aligned to a new defined transformation programme outline.

Scope

The scope of this work is limited to the activities agreed within this DPEL as outlined below unless modified through formal change control processes, i.e. the activities take the engagement up to the point of an agreed action plan but at this stage, Methods will not be responsible for implementation.

Service Definition Document (SDD)

- Working document developed and agreed between the Business Area and Methods, detailing product descriptions with quality criteria, plan and project governance. This is subject to regular review through checkpoint meetings as part of ensuring delivery progress is in line with agreed DPEL requirements and outcomes. Also contains service description for client communication to wider stakeholders.
- Handover activity will occur to any incoming resource, rather than specific knowledge transfer activity and/or ongoing training.

Assumptions and dependencies

Assumptions

- That Methods staff will have access to key stakeholders who will engage meaningfully and promptly to provide information to support the outcomes. Methods will provide a reasonable lead time for any such access requests.
- That Methods staff will have access to all key data sources as may be required to support the development of the deliverables and assess progress against the outcomes
- NE will make Methods aware of any constraints in relation to formats for deliverables to meet business needs. In the absence of related guidance, Methods will have autonomy over output formats.
- Methods staff will be given appropriate access to IT systems as may be required for the purposes of extracting relevant information, storing, and managing working documents and for any other legitimate purpose as may be necessary for the length of the contract.



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- That all relevant stakeholders will be available as necessary for the purposes of any planned knowledge transfer and the transfer of responsibilities, and that key topics of interest will be identified and communicated to the Methods team for this purpose.

Dependencies

- VMOST and benefits identification activity will be undertaken at pace, agreement with the NE Digital Transformation team to provide timely sessions and staff availability to allow this to be completed in line with outlined DPEL milestone dates.
- Strong leadership of the NE Digital Transformation team to ensure capacity and capability is built and staff are receptive to Methods knowledge transfer, coaching and able to undertake activities as required for their role.

Risk management

Two layers of risk management shall be considered during this engagement:

- Risk to the service provided by Methods to the Client. These risks shall be recorded and mitigated by Methods staff and communicated to the SRO either through the regular governance structure or on an ad-hoc basis should a critical risk be raised.

Key risks to the service delivery already identified include:

- Risk of a lack of agreement, leadership and ownership causes inconsistent approaches which can delay and/or hamper the ability to deliver the DPEL objectives and outcomes.
- Risk of insufficient collaboration which can hamper the ability to deliver both the DPEL and the wider objectives and outcomes.
- Risk of Methods' recommendations regarding documentation, processes, meeting cadence etc. not being accepted by the client which means there is a limited ability to ensure a productive project delivery environment.

A Methods Service Delivery level risk register will be produced as part of the SDD which will be shared with NE Digital Transformation team so that all identified risks can be mitigated/managed appropriately.

Deliverables

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Full VMOST (Skeleton) Model:	Analysis Development of VMOST in alignment with DEFRA/CDDO strategies Stakeholder interviews Completion of Analysis Workshop Through playback of analysis and alignment, clearly articulated co-designed vision, missions, and development of objectives and high-level benefits VMOST model further developed including high level project briefs/concepts	4 weeks post contract sign	VMOST Team
Week 5-6 – Further Analysis & Workshop			
Build out of VMOST / Prioritisation of objectives and tactics	Further iteration of VMOST structure to include prioritisation of objectives and focus Expanded benefits definition	5-6 weeks post contract	VMOST Lead Benefits Support
Creation of delivery road map	Development of high-level roadmap and action plan Confirmation of 'golden thread' from Vision through to Tactics	7 weeks post contract	VMOST Support
Week 7 – Final Workshop / Report Production			
Final write up / report including VMOST model, articulation of benefits underpinning the model and a delivery roadmap with an agreed action plan	Final workshop to include layering further detail onto the strategies and tactics identified previously, using insights from the NE Digital Transformation team and DDTS Virtual team. Final write up and playback	7 weeks post contract	All

Limitations on scope and change control

Business Area / Supplier to supplement with any additional areas, as deemed appropriate.



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Unless instructions to the Supplier are later amended in writing, the work undertaken will be restricted to that set out above. In providing the services detailed above, the Supplier will be acting in reliance on information provided by the Business Area.

The Project Engagement Letter is the agreed contract of work between the Defra Group Business Area and the Supplier and can be varied under the change control process. Any changes to timescales, scope and costs will require approval by DgC.

3. Delivery team

Role (link to stage/s resource will work on)	Grade	# of days	Day Rate	Cost
Total Cost				£70,230

Total resource <u>Total days*</u> Engagement Length** *Total days worked across all resources **Total working days in engagement	
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Business Area's team

4. Fees

Defra Group will reimburse the Supplier for approved work done according to the table below. The total fees for the scope of work detailed in this Engagement Letter will be **£70,230** inclusive of expenses and excluding VAT.



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Stage	Cost	Due (link to milestone dates)
		DD/MM/YY
Mid point of engagement	£35,115	05/01/2024
Completion of engagement	£35,115	09/02/2024
Expenses		
N/A		
Grand total	£70,230	

Business Area considerations:

- Are the costs and fees appropriate (costs linked to deliverables, rates and drive value for money)?

Expenses statement

Defra Group overarching contract rates include expenses for any travel to/from any UK location defined by the Business Area as the base office for the work. Only expenses for travel at the Business Area's request from this base can be charged. If appropriate, define permissible expenses to be charged.

Payment

The Supplier should invoice fees monthly in arrears. Defra Group will reimburse fees monthly on confirmation of approval of work delivered by the Business Area. The Supplier will keep an accurate record of time spent by staff in providing the services and provide this information and supporting narrative, if requested.

5. Governance and reporting

Business Area to outline governance and report requirements.

As part of the Call-Off Contract, the Supplier and Business Area agree to provide reporting on the following:

- Completion of the time tracker on a monthly basis, to track days worked by our consultants;

Key Performance Indicators

Business Area and Supplier to agree any specific key performance indicators related to this specific project engagement.

KPI	KPI Requirement	Description	Reporting Frequency	Who Measures	Method of Measurement	Performance Target
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1.	Availability of Methods	A named delivery contact or delegate will be available to the client for discussions within and outside of DPEL content during working hours.	Ongoing for duration of DPEL	SRO or delegate, with Methods Assurance	Escalation from client team if expected behaviour is not demonstrated	Measured against DPEL & Methods Lot3 agreement.
2.	Regular checkpoints provided by Methods	Weekly reporting to ascertain delivery progress, key risks/concerns	Weekly	SRO with Methods Assurance	Regular project meetings	Measured against DPEL deliverables.
3	Delivery of agreed deliverables	Baselined plans detail agreed delivery dates. These will not be exceeded above agreed tolerance without agreement between all parties	Weekly	SRO or delegate, with Methods Assurance	Regular project meetings	Measured against DPEL deliverables.

Feedback and satisfaction

Business Area and Supplier to agree regular reporting intervals for the duration of the engagement.

Defra Group reserves the right to hold review meetings during the assignment, discussing what went well, opportunities for improvement on future assignments and similar. This will incorporate any 'Show and Tell' documentation or transferable products that have been produced.

A post-engagement quality review of the engagement will be arranged where the Business Area rates the services provided.

Non-disclosure agreements

The overarching MCF2 framework include NDAs. Insert any additional NDA requirements here.

6. Exit management

The agreed actions and deliverables by the Supplier for when the contract ends are as follows:

Knowledge Transfer:

Specific transfer outcomes will be tracked through regular reporting and evaluated through a review of completed knowledge transfer logs and reports, including sign off from individual knowledge recipients

The skills and expertise transferred back to the internal Defra team will help improve efficiency and effectiveness, and provide a framework to deliver future strategic projects



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The supplier will provide: All documents, reports, excel files, presentations
The supplier will delete: any commercially information that is not required to be kept
The supplier will prepare a handover note of any outstanding issue

Notice period

The nature of these engagements require that Defra Group have the ability to terminate an engagement with notice. Defra Group's termination rights for this engagement are marked below.

The minimum notice period for termination is 5 working days regardless of engagement duration.

1. Business Area identifies a potential need for delivery support, initiates a conversation with DgC, confirms which approvals are required for an engagement to occur, e.g. Consultancy Governance Board if over £100k or DgC Corporate Services Delivery Board if under £100k.
2. Request Form completed by Business Area and submitted to DgC at:
[REDACTED]
3. The form is reviewed by the DgC team around which resource route is most appropriate (e.g. Lots 1/2/3) and may request additional information/edits from the Business Area if required.
4. Lot / Supplier is selected and briefed on the request by DgC, then introduced to the requesting Business Area for further discussion and confirmation of work to be delivered
5. A Project Engagement Letter is completed by the Business Area with input from the Supplier (with supporting proposals as appropriate) and then finally agreed between the two parties, including evidence of all required approvals either being in place or being progressed (e.g. PO) and forwarded to the DgC for review by the Consultancy Governance Board (CGB). Approval states are:

Approval state	Definition	Permissions
Full approval	<ul style="list-style-type: none"> ▪ DPEL agreed ▪ DPEL signed: Supplier, Dept and CO ▪ Purchase Order number 	<ul style="list-style-type: none"> ▪ Work can start ▪ Supplier can invoice for work

